GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Revenue (DM) Department – Andhra Pradesh Disaster Recovery Project (APDRP) – Component 1 - UG Cable works packages 1 to 4 in Visakhapatnam City executed by PIU, APEPDCL - Ruling pronounced by the Appellate Authority for Advance Ruling on Computing GST – adopting 18% GST by APEPDCL under APDRP – Orders – Issued.

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REVENUE (DISASTER MANAGEMENT) DEPARTMENT

G.O.MS.No. 1 **Dated: 18-03-2021**

Read the Following:

1. AAR No.29/AP/GST/2018 dated:19-12-2018 of Authority for Advance Ruling, Andhra Pradesh (Goods & Service Tax).
2. AAAR/05(GST)/2019 dated 24-04-2019 before the Appellate Authority for Advance Ruling, Andhra Pradesh (Goods & Service Tax).
3. Lr.No.CGM/WBP/APEPDCL/GM.APDRP/F.UGCP/D.No.525/2020, dated:04-06-2020 of the Chief General Manager, World Bank Projects, APEPDCL, Visakhapatnam.

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O R D E R : -

The Underground Cable works of four packages in Visakhapatnam City taken up under APDRP are being executed by PIU, APEPDCL. The Contracting Agency for packages 1 & 3 M/s Vijai Electricals Limited, Hyderabad has approached Authority for Advance Ruling, Andhra Pradesh (Goods & Service Tax) on the rate of applicable GST to underground cable works.

2. The Appellate Authority in the reference 1st read above, issued Ruling that the Applicant is not entitled for the benefit of concessional rate of GST @ 12% (6% under Central Tax and 6% under State Tax) in terms of Notification No:24/2017 Central Tax (Rate), dated:21-09-2017 read with Notification No:31/2017 Central Tax (Rate) dated:13-10-2017. The applicable rate of tax is 18% (9% under Central Tax and 9% under State Tax) for the services referred by the applicant.

3. In the reference 2nd read above, the Appellate Authority for Advance Ruling on GST issued order stating that

"we uphold the decision of the Authority for Advance Ruling, A.P confirming that the work contacts service rendered by M/s Vijai Electricals (the Appellant) to APEPDCL is not eligible for concessional rate of tax @ 12% as per serial No:3 of entry no: vi(a) of Notification No:24/2017 Central Tax (Rate) Dated:21-09-2017".

(PTO)

4. The Project Manager (Chief General Manager), PIU, APDRP, APEPDCL, Visakhapatnam in the reference 3rd read above requested to clarify on the applicability of rate of GST @ 18% for other UG Cable works packages and to allocate sufficient funds to meet the additional burden of GST.

5. Government after careful examination, here by accord permission to follow the ruling of Appellate Authority, in adopting 18% GST to all the 4 Contracts of APEPDCL under APDRP since the inception of the contract or the introduction of the GST Law whichever is later, subject to the provisions of TDS under GST and Income tax Law and also to meet the additional expenditure due to the applicability of the above ruling as per the need for all the 4 works within the overall Project allocation of APDRP.

6. The Project Manager (Chief General Manager), PIU, APDRP, APEPDCL, Visakhapatnam shall take necessary action accordingly.

7. This order issues with the approval of Finance (PMU-EAP) Department vide e-filing Finance. U.O.No. FIN01-PMU0EAP(APP)/37/2020-EAP, dated:08-03-2021 (Computer.No.1189608).

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

V.USHARANI, IAS
PRINCIPAL SECRETARY TO GOVERNMENT (DM)

To
The Project Director, APDRP, Revenue (DM) Department, AP, Kunchanapalli.
The Project Manager, APDRP, Revenue (DM) Department, AP, Kunchanapalli.
The Project Manager, PIU, APDRP, APEPDCL, Visakhapatnam.

Copy to: -
District Treasury Officer, Visakhapatnam.
Pay & Accounts Officer, Works, Visakhapatnam.
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// FORWARDED : : BY ORDER //

SECTION OFFICER